

HOUSE BILL No. 1608

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-1-15.6-7.

Synopsis: Insurance producer fees. Changes the penalty for late renewal of an insurance producer license to the amount of the renewal fee. Allows the department of insurance may waive the penalty.

Effective: July 1, 2003.

Whetstone

January 16, 2003, read first time and referred to Committee on Insurance, Corporations and Small Business.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1608

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-1-15.6-7, AS ADDED BY P.L.132-2001,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2003]: Sec. 7. (a) Unless denied licensure under section 12 of
4 this chapter, a person who has met the requirements of sections 5 and
5 6 of this chapter shall be issued an insurance producer license. An
6 insurance producer may receive qualification for a license in one or
7 more of the following lines of authority:

8 (1) Life— insurance coverage on human lives, including benefits
9 of endowment and annuities, that may include benefits in the
10 event of death or dismemberment by accident and benefits for
11 disability income.

12 (2) Accident and health or sickness — insurance coverage for
13 sickness, bodily injury, or accidental death that may include
14 benefits for disability income.

15 (3) Property — insurance coverage for the direct or consequential
16 loss of or damage to property of every kind.

17 (4) Casualty — insurance coverage against legal liability,



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including liability for death, injury, or disability, or for damage to real or personal property.

(5) Variable life and variable annuity products — insurance coverage provided under variable life insurance contracts and variable annuities.

(6) Personal lines — property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes.

(7) Credit — limited line credit insurance.

(8) Any other line of insurance permitted under Indiana laws or administrative rules.

(b) A person who requests and receives qualification under subsection (a)(5) for variable life and annuity products:

(1) is considered to have requested; and

(2) shall receive;

a life qualification under subsection (a)(1).

(c) A resident insurance producer may not request separate qualifications for property insurance and casualty insurance under subsection (a).

(d) An insurance producer license remains in effect unless revoked or suspended, as long as the renewal fee set forth in section 32 of this chapter is paid and the educational requirements for resident individual producers are met by the due date.

(e) An individual insurance producer who:

(1) allows the individual insurance producer's license to lapse; and

(2) completed all required continuing education before the license expired;

may, not more than twelve (12) months after the expiration date of the license, reinstate the same license without the necessity of passing a written examination. A penalty in the amount of ~~three (3) times~~ the unpaid renewal fee shall be required for any renewal fee received after the expiration date of the license. However, the department of insurance may waive the penalty. ~~if the renewal fee is received not more than thirty (30) days after the expiration date of the license.~~

(f) A licensed insurance producer who is unable to comply with license renewal procedures due to military service or some other extenuating circumstance may request a waiver of the license renewal procedures. The producer may also request a waiver of any examination requirement or any other fine or sanction imposed for failure to comply with the license renewal procedures.

(g) An insurance producer license shall contain the licensee's name,



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1 address, personal identification number, date of issuance, lines of
2 authority, expiration date, and any other information the commissioner
3 considers necessary.

4 (h) A licensee shall inform the commissioner of a change of address
5 not more than thirty (30) days after the change by any means
6 acceptable to the commissioner. The failure of a licensee to timely
7 inform the commissioner of a change in legal name or address shall
8 result in a penalty under section 12 of this chapter.

9 (i) To assist in the performance of the commissioner's duties, the
10 commissioner may contract with non-governmental entities, including
11 the National Association of Insurance Commissioners (NAIC), or any
12 affiliates or subsidiaries that the NAIC oversees, to perform ministerial
13 functions, including the collection of fees related to producer licensing,
14 that the commissioner and the non-governmental entity consider
15 appropriate.

16 (j) The commissioner may participate, in whole or in part, with the
17 NAIC or any affiliate or subsidiary of the NAIC in a centralized
18 insurance producer license registry through which insurance producer
19 licenses are centrally or simultaneously effected for states that require
20 an insurance producer license and participate in the centralized
21 insurance producer license registry. If the commissioner determines
22 that participation in the centralized insurance producer license registry
23 is in the public interest, the commissioner may adopt rules under
24 IC 4-22-2 specifying uniform standards and procedures that are
25 necessary for participation in the registry, including standards and
26 procedures for centralized license fee collection.

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